

Department of Defense Fresh Fruit and Vegetable Program

In 1994, the Food and Nutrition Service began working with the Agricultural Marketing Service and other agencies in and out of government to explore options for providing more fresh fruit and vegetable products to schools. This meeting led to talks with the Department of Defense, Defense Personnel Support Center, now known as the Defense Supply Center Philadelphia (DSCP) to enter into a pilot project to supply fresh fruit and vegetables directly to schools along with their deliveries to military installations or other sites in the United States. An agreement was signed by administrators of the Food and Nutrition Service, Agricultural Marketing Service, and DSCP in August 1995 authorizing the program.

The pilot project began in School Year 1996 with eight States participating, allocating a portion of their commodity entitlement funds toward the program. Produce valued at \$3.2 million was delivered to schools that year. Due to the favorable response from States participating in the pilot, the program was opened up to all States. By FY 2010, spending had reached \$66 million. At this time, 45 States, the District of Columbia, Puerto Rico, the Virgin Islands and Guam are participating in the program using commodity entitlement funds.

Because of the success of the entitlement program for schools, it was expanded to include purchases for the Food Distribution Program on Indian Reservations, which in FY 2010 spent \$5 million on produce. School lunch programs were also given the opportunity to purchase additional quantities of fresh fruits and vegetables directly from DSCP using Section 4 and 11 funds, which are the cash reimbursements they receive for their free and reduced-price school lunches. During FY 2009, 26 States, the District of Columbia, Puerto Rico, and the Virgin Islands ordered an additional \$10.2 million in produce with Section 4 and 11 funds.

Advantages of the DoD Fresh Produce program include greater buying power, consistent deliveries, emphasis on high quality, a large variety of produce items including pre-cuts and locally grown, and an easy-to-use ordering website with funds tracking. Either States or their schools place orders directly with DSCP for a variety of American-grown fresh products.

In 2007, the DSCP business model changed from 14 decentralized DoD buying offices to long term produce contracts (LTPCs). There are currently 45 of these contracts in place between DoD and 38 small business produce vendors. DoD is negotiating with produce vendors for LTPCs in the remaining areas not yet covered by them. In the meantime, these areas are being supported directly by DSCP out of the Philadelphia office. Produce Specialists in the field provide direct customer service, and issues are resolved locally whenever possible. DoD has experienced some transition problems as a result of the move to prime vendor contracts. Some difficulties are to be expected in the implementation of any new system, and USDA has met with DoD on this issue. DoD has met with States to resolve problems as they have arisen. DoD has assured us that they remain committed to the program.

Through the Department of Defense Fresh Fruit and Vegetable Program, the United States Department of Agriculture (USDA) has been able to offer schools a wider variety of fresh produce than would normally be available through USDA purchases. USDA has met with DoD, and expressed its desire that local procurement efforts should be further increased, and we are aware that DoD is procuring locally to the greatest extent possible, consistent with season and quality.